

NOVEMBER 6, 1989

THE DIRECTOR OF THE DIVISION OF STATE LANDS & FORESTRY TOOK FORMAL ACTION ON NOVEMBER 6, 1989, AT 9:30 A.M. IN THE DIVISION OF STATE LANDS & FORESTRY OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY, UTAH 84180-1204, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

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MINERAL LEASE APPLICATIONS

OIL, GAS & HYDROCARBON LEASE APPLICATION - REJECTED

Upon recommendation of Mr. Blake, the Director rejected the Oil, Gas, and Hydrocarbon lease application listed below and ordered a refund of the advance rentals to the applicant. The filing fees are forfeited to the State of Utah.

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|----------------------------|-------------------------------|--------------|
| Min. Lease Appl. No. 44605 | <u>T19S, R10E, SLB&M.</u> | Emery |
| William G. Bush | Sec. 36: All | 640.00 acres |
| 619 Viewpoint Drive | | |
| Grand Junction, CO 81506 | | |

REJECTED: In conflict with ML 44437

REFUND: \$640.00

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METALLIFEROUS MINERALS LEASE APPLICATION - APPROVED

Upon recommendation of Mr. Mansfield, the Director approved the Metalliferous Minerals lease application listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The application has been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available. The reassessment date is December 1, 1999.

| | | |
|----------------------------|---|--------------|
| Min. Lease Appl. No. 44606 | <u>T31S, R11E, SLB&M.</u> | Garfield |
| Clifford Green | Sec. 36: W $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ | 120.00 acres |
| 1360 East 13200 South | | |
| Draper, UT 84020 | | |

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TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Leases listed below to Columbia Gas Development Corporation, P.O. Box 1350, Houston, TX 77251-1350, by R. Allen, who reserves 1/3 of 1% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: R. ALLEN

....ML 43619....ML 43620....ML 43621....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Leases listed below to Diamond Peak Energy Company, L.P., C/O Mr. Mark S. Dolar, Suite 100A, 9035 South 700 East, Sandy, UT 84070, by Peter W. Hummel. No override.

LEASE OWNERSHIP: PETER W. HUMMEL

....ML 44126....ML 44127....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Lease listed below to Lockard & Associates, Inc., 1713 Shady Lane, Oklahoma City, OK 73131, by Robert L. Wright, who reserves 3% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: ROBERT L. WRIGHT

....ML 43005....

TOTAL ASSIGNMENT--METALLIFEROUS MINERALS LEASE

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to Echo Bay Exploration Inc., 5250 Neil Road, Suite 300, Reno, NV 89502, by Jerry D. Steele, who reserves 1% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: JERRY D. STEELE

....ML 43640....

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TOTAL ASSIGNMENT--COAL LEASE

Upon recommendation of Mr. Bonner, the Director, approved the assignment of the Coal Lease listed below to Hanksville Coal, Inc., C/O Duane A. Frandsen, Attorney, 395 West 4650 North, Provo, UT 84604, by Henry Mountain Coal, Inc. No override.

LEASE OWNERSHIP: HENRY MOUNTAIN COAL, INC.

....ML 43979....

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SURFACE BUSINESS MATTERS

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EASEMENTS

APPLICANT'S NAME & ADDRESS: APPLICATION NO.: ROW 3407

PACIFICORP, AN OREGON CORPORATION
dba Utah Power & Light Company
1407 West North Temple, Room 274
Salt Lake City, UT 84140

LEGAL DESCRIPTION:

Township 14 North, Range 4 East, SLB&M.
Section 21: NW4NE4

COUNTY: Cache

ACRES: 0.303

PROPOSED ACTION:

The applicant is requesting an easement for a 15 KV buried powerline to be located paralleling an existing trail 80 rods in length and 10 feet wide.

RELEVANT FACTUAL BACKGROUND:

The proposed right of way is for a buried powerline, 80 rods in length on State land. The line will also cross Federal and private land. The purpose of the project would be to serve the Beaver Mountain Ski Lodge lift. The necessary environmental analysis was submitted to the Forest Service pursuant to Title V of the Federal Land Policy and Management Act of October 21, 1976 (90 Stat 2776; 45 U.S.D.A. 1761) on October 25, 1988 for this project.

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RIGHT OF WAY 3407 (cont.)

CRITERIA FOR EVALUATION:

The conditional exclusion of easements from the record of decision process does not apply if any of the following four conditions exist:

1. The proposed easement is located entirely on State land and is not located in an existing easement corridor.
2. The proposed easement is for longer than 30 years.
3. The applicant is not willing to pay the fee as determined by the Division.
4. The proposed easement will have an unreasonably adverse affect on the developability or marketability of the subject property.

EVALUATION OF FACTS:

The standard fee for a transmission line is \$10.00 per rod. Preliminary modeling indicates that the property would have to be worth more than \$4,400.00 in order to exceed the per rod rate. As the land value is less than \$2000.00 per acre, the per rod rate will be used.

The proposed easement is not located entirely on State land, is for a term of 30 years, and the applicant has already paid the indicated fees. As far as the staff has been able to determine, there will be no unreasonable adverse affect on the developability or the marketability of the subject property. Therefore, this summary will constitute the Record of Decision.

STAFF RECOMMENDATION:

It is the recommendation of Mr. Wall that the above described application for a right of way be approved with the fee being \$800.00 plus a \$50.00 application fee, with a \$20.00 administrative fee being assessed every three years beginning January 1, 1992.

Upon recommendation of Mr. Wall, the Director approved Right of Way 3407.

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GRAZING PERMITS

ASSIGNMENT OF GRAZING PERMIT NO. GP 21892

David L. Jones, has requested to assign 100% of his interest in the above grazing permit to Jackson Land & Livestock Company, A Limited Partnership, c/o Ross D. Jackson, P.O. Box 206, Randolph, UT 84064. This action has met with the BLM allotment approval. The \$20.00 assignment fee has been submitted.

Upon recommendation of Mr. Wall, Mr. Klason approved the assignment of GP 21892.

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GRAZING PERMITS

CORRECTION OF 10/23/89 DIRECTOR'S MINUTES - GRAZING PERMIT 22754

Ralph Pearson, P.O. Box 18, Minersville, Utah 84752.

There was an error in the description on the October 23, 1989, Director's Minutes of the above described grazing permit. The description was listed as follows:

T26S, R12W, SLB&M Beaver Co.
Sec. 32: N Portion

T26S, R13W, SLB&M Beaver Co.
Sec. 36: N Portion

The description should be corrected as follows:

T26S, R12W, SLB&M Beaver Co.
Sec. 32: N2N2, being that portion within the Beaver Lake
Allotment containing 136.00 acres

T26S, R13W, SLB&M Beaver Co.
Sec. 36: N2N2, being that portion within the Beaver Lake
Allotment containing 127.00 acres

The acreage, AUM amount, and rental fee are all correct as shown on the 10/23/89 Director's Minutes.

Upon recommendation of Mr. Carter, Mr. Klason approved the above captioned correction for GP 22754.

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MATERIALS PURCHASED

MP 98 (Application Cancellation)

This materials permit application was filed by Rodney Rasmussen Co., 155 E. 200 S., Salina, Utah 84654. This application was tied into the Virgin River Farms SULA application and bid process. Rasmussens have requested that their application be withdrawn because they have acquired material elsewhere. The \$400 that has been paid in rentals on this application should be refunded to the applicant and the \$20 application fee is forfeited to the State.

Upon recommendation of Mr. Brown, the Director approved the cancellation of MP 98 and ordered the \$400 paid in rentals refunded to the applicant. The \$20 application fee is forfeited to the State.

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RIGHTS OF WAY

AMENDED RIGHT OF ENTRY NO. 3443 (Extension of Time)

On October 30, 1989, Mr. Stan Baker, S.E. Area Land Specialist, in accordance with direction and delegation of authority, approved the request of Outlaw Trails, 50 West 100 North, Moab, UT 84532 to extend the expiration date of the above referenced right of entry. The \$20.00 amendment fee has been submitted. New expiration date will be December 31, 1989.

In accordance with direction and delegation from the Director, Mr. Baker approved the amendment of Right of Entry 3443 with an expiration date of December 31, 1989.

RIGHT OF ENTRY NO. 3474

On October 31, 1989, Mr. Stan Baker, S.E. Area Land Specialist, pursuant to R632-40-2 and in accordance with direction and delegation of authority, approved the request of New Frontier Exploration, 7388 S. Revere Parkway, Bldg. 902, Englewood, CO 80112 to conduct a seismic survey - shothole method across the following described State lands:

T18S, R16E SLB&M Emery Co.
Sec. 2: Within S2S2
Sec. 16: Within N2N2

The fee for this seismic survey - shothole method, greater than 50', is \$50/hole @ 36 holes totals \$1800.00, plus a \$50.00 application fee equals \$1850.00; school fund. Expiration date: December 31, 1989.

In accordance with direction and delegation from the Director, Mr. Baker approved Right of Entry 3474 with an expiration date of December 31, 1989.

RIGHT OF ENTRY NO. 3475

On October 31, 1989, Mr. Stan Baker, S.E. Area Land Specialist, pursuant to R632-40-2 and in accordance with direction and delegation of authority, approved the request of Northern Geophysical, 7076 S. Alton Way, Bldg. H, Englewood, CO 80112 to conduct a seismic survey - shothole method across the following described State lands:

T30S, R23E SLB&M San Juan Co.
Sec. 32: Runs diagonally, SE corner to NW corner

T31S, R23E SLB&M
Sec. 27: Within N2N2N2

The fee for this seismic survey - shothole method, greater than 50', is \$50/hole @ 33 holes totals \$1650.00, plus a \$50.00 application fee equals \$1700.00; school fund. Expiration date: January 2, 1990.

In accordance with direction and delegation from the Director, Mr. Baker approved Right of Entry 3475 with an expiration date of January 2, 1990.

REQUEST FOR TRANSFER OF FUNDS

On February 23, 1979, the Division of Wildlife Resources and the Division of State Lands and Forestry had a formal agreement to allow the Red Creek Grazing Association to run livestock on adjoining parcels managed by both agencies. The grazing fees for use of Division of Wildlife land were paid directly to State Lands and Forestry and placed in the Suspense Account. They were to be used to purchase trust lands that were inholdings on wildlife management areas throughout the State. The agreement was terminated shortly thereafter and the amount left in the account is \$3,524.33. The Division of Wildlife Resources has requested that State Lands & Forestry initiate the process to transfer the money and credit it to Account 5907-6202-N107IN.

Upon recommendation of Mr. Johnson, the Director approved the above captioned request to transfer \$3,524.33 to Wildlife Resources.

INTEREST

CURRENT YEAR

YEAR AGO

Base Rate

10.50

10.00


PATRICK D. SPURGIN, DIRECTOR
DIVISION OF STATE LANDS/FORESTRY


LESLIE M. WARNER, RECORDS SUPERVISOR

ARCHIVES APPROVAL NO. 7900209